

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)

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In Re:

BLOCK 106 DEVELOPMENT, LLC,
Debtor-in-Possession.

FILED
JAMES J. WALDRON, CLERK

OCT 04 2011
U.S. BANKRUPTCY COURT
NEWARK, N.J.
BY *TJW* DEPUTY

Chapter 11

Case No. 11-27050

Judge: Honorable Donald H. Steckroth

**ORDER APPROVING DEBTOR'S MOTION (I) APPROVING A SETTLEMENT AND
COMPROMISE BETWEEN THE DEBTOR, BLOCK 106 MTG, LLC AND 1320-1330
MADISON STREET LLC PURSUANT TO FED. R. BANKR. P. 9019, (II) DISMISSING
THE DEBTOR'S CHAPTER 11 CASE PURSUANT TO 11 U.S.C. § 1112(b) OR,
ALTERNATIVELY, PURSUANT TO 11 U.S.C. § 305(a)(1); (III) REINSTATING
CLAIMS OF UNSECURED CREDITORS AND (IV) GRANTING RELATED RELIEF**

The relief set forth on the following pages, numbered two (2) and five (5), is hereby
ORDERED.

10/4/11

D. Steckroth

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Debtor: BLOCK 106 DEVELOPMENT, LLC
Case No: 11-20750 (DHS)
Caption of Order: ORDER APPROVING DEBTOR'S MOTION (I) APPROVING A SETTLEMENT AND COMPROMISE BY AND AMONG THE DEBTOR AND BLOCK 106 MTG, LLC PURSUANT TO FED. R. BANKR. P. 9019, (II) DISMISSING THE DEBTOR'S CHAPTER 11 CASE PURSUANT TO 11 U.S.C. § 1112(b) OR, ALTERNATIVELY, PURSUANT TO 11 U.S.C. § 305(a)(1); (III) REINSTATING CLAIMS OF UNSECURED CREDITORS AND (IV) GRANTING RELATED RELIEF

THIS MATTER having been opened to the Court by Block 106 Development, LLC, the within debtor and debtor-in-possession (the "Debtor"), by and through its undersigned counsel, upon its motion (the "Motion")¹ for entry of an Order (I) Approving a Settlement and Compromise between the Debtor, Block 106 Mtg, LLC and 1320-1330 Madison Street, LLC Pursuant to Fed. R. Bankr. P. 9019, (II) Dismissing the Debtor's Chapter 11 Case Pursuant to 11 U.S.C. § 1112(B) or, Alternatively, Pursuant to 11 U.S.C. § 305(A)(1); (III) Reinstating Claims of Unsecured Creditors and (IV) Granting Related Relief; and the Court finding that (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of the Debtor, its estate and its creditors; (iv) adequate notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary and (v) after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein, it is hereby,

¹ Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to such terms in the Motion.

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Debtor: BLOCK 106 DEVELOPMENT, LLC
Case No: 11-20750 (DHS)
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ORDERED that:

1. The settlement by and between the Debtor, Block 106 Mtg, LLC and 1320-1330 Madison Street, LLC as set forth in the Forbearance and Settlement Agreement (the "Agreement") annexed to the Motion as Exhibit A is hereby authorized and approved.

2. The Debtor, Block 106 Mtg, LLC and 1320-1330 Madison Street, LLC are authorized to perform their obligations under the Agreement and execute all documents necessary to effectuate the settlement.

3. The Debtor's Chapter 11 case is a "single asset real estate" case as defined in section 101(51)(B) of the Bankruptcy Code and is hereby dismissed, effective upon the entry of this Order.

4. All unsecured claims against the Debtor shall be reinstated upon the entry of this Order.

5. The Debtor's professionals, Cole, Schotz, Meisel, Forman & Leonard, P.A., retained pursuant to an Order dated August 8, 2011, shall not be required to file final fee applications in this case.

6. All Orders previously entered in this Chapter 11 case shall remain in full force and effect pursuant to Section 349 of the Bankruptcy Code.

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Case No: 11-20750 (DHS)
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7. The Debtor shall pay all fees due to the United States Trustee pursuant to 28 U.S.C. § 1930(a)(6) through the entry of this Order within thirty (30) days from the date hereof.

8. Nothing herein or any subsequent order of the bankruptcy court shall stay, enjoin or otherwise interfere with Block 106 Mtg, LLC's enforcement of the Agreement; and (ii) in the event that a subsequent petition under the United States Bankruptcy Code is filed by or against the Debtor (or any successor to the Debtor's interest in the Property (as defined in the Agreement), Block 106 Mtg, LLC shall be entitled to *in rem* relief against the Property and any automatic stay that may be applicable in any such subsequent bankruptcy case shall not apply to the rights of Block 106 Mtg, LLC (or any successor to Block 106 Mtg, LLC's interest in the Property) against the Property, including the right to enforce the terms of the Agreement against the Property. Without limiting the foregoing, neither the Debtor nor any successor to Debtor's interest in the Property shall oppose an application by Block 106 Mtg, LLC (or any successor to Block 106 Mtg, LLC's interest in the Property) for relief from the automatic stay pursuant to Section 362 of the Bankruptcy Code or otherwise consent to injunctive relief with respect to the rights of Block 106 Mtg, LLC (or any successor to Block 106 Mtg, LLC's interest in the Property) against the Property.

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9. The form and manner of notice of the Motion is hereby determined to be sufficient and adequate.

10. This Order shall be effective immediately upon its entry by the Court.